

this legislation was worked on by colleagues from both sides of the aisle, led by our good friend, the gentleman from Virginia [Mr. BOUCHER]. This legislation does several things to increase awareness of the problem of arson, including increasing the ability of fire departments to identify suspicious and incendiary fires resulting in increased and more effective prosecution of arson cases.

The legislation awards 2-year competition merit-based grants to as many as 10 States for arson research, prevention, and control. The authorization for fiscal year 1994 was almost \$5 million, and for fiscal year 1995 \$6.25 million.

The legislation also improves arson investigator training courses, leading to professional certification of arson investigators. It also provides resources for the formation of arson task forces, especially needed in our inner cities where arson for profit has become a major problem.

The legislation also supports and develops programs directed at fraud as a cause of arson, juvenile arson, drug and gang related arson, domestic violence connected arson, and civil unrest as a cause of arson.

Finally, the bill provides for development of an advanced course on arson prevention and expansion of arson investigator training programs at the National Fire Academy, the Federal Law Enforcement Training Center and the Federal Bureau of Investigation Academy.

The International Association of Arson Investigators was formed in 1949. It is the most broad-based, well-respected organization in this country and the world that focuses on the problem of arson and works to train arson investigators. This organization, with over 8,000 members, was established to unite for mutual benefit those public officials and private persons engaged in the control of arson and kindred crimes.

In addition, the National Fire Protection Association is currently developing a manual for fire investigation that will aid in the process of training these investigators.

Mr. Speaker, I rise to pay tribute to those brave men and women who day in and day out are fighting this ongoing problem in America, a problem that is affecting our economy and that is taking approximately 700 lives each year. I pay tribute especially to those brave arson investigators, those law enforcement personnel who are handling situations in all of our cities and counties dealing with the terrible tragedy of arson loss in this country.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the District of Columbia [Ms. NORTON] is recognized for 5 minutes.

[Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. HAMILTON] is recognized for 5 minutes.

[Mr. HAMILTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

LEGISLATION REGARDING EVALUATION OF TAX LAWS BY RENOUNCING CITIZENSHIP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GIBBONS] is recognized for 5 minutes.

Mr. GIBBONS. Mr. Speaker, today, along with my colleagues Messrs. GEPHARDT, BONIOR, FAZIO, RANGEL, STARK, JACOBS, FORD, MATSUI, Mrs. KENNELLY, Messrs. COYNE, LEVIN, CARDIN, MCDERMOTT, KLECZKA, LEWIS, NEAL, PAYNE, and FROST, I am introducing legislation to prevent the evasion of our tax laws by individuals who renounce their American citizenship.

This legislation is identical to the bill S. 700, introduced on April 6, 1995, by Senator MOYNIHAN. Senator MOYNIHAN should be commended for his leadership on this issue and for his efforts to respond to the technical concerns raised by those opposing this legislation. I must wholeheartedly agree with Senator MOYNIHAN's introductory comments that these technical concerns could have been resolved "if those criticizing the provision's technical aspects put even half as much effort into devising solutions as highlighting shortcomings."

Mr. Speaker, this bill is similar to the provision which was included in the House Democratic amendment which was defeated when the House considered H.R. 831. In addition, this proposal was included in the Senate amendment to H.R. 831. In addition, this proposal was included in the Senate amendment to H.R. 831. It would tax the unrealized appreciation in assets held by individuals who expatriate. The bill contains generous exemptions to limit its applicability to only the extremely wealthy. This bill contains several technical modifications from those earlier proposals, which I would like to quickly summarize to demonstrate our willingness to respond to legitimate concerns regarding this issue.

Unlike the provision contained in the earlier amendments, this bill would also apply in cases where long-term residents of the United States cease to be taxed as residents. This change is in response to the argument that the earlier amendments were unfair in that they applied only to citizens and did not also apply to residents who are taxed in the same manner as citizens.

During House consideration of H.R. 831, there were arguments about potential double taxation. This bill I am introducing today responds to those arguments by providing that, if a foreign person becomes a resident or citizen of this country, the basis of all of that person's assets would be stepped up to their fair market value at the time the person becomes subject to our tax system. Therefore, the bill creates parallel treatment under which appreciation accruing before an individual becomes subject to our taxes would be exempt from our taxes and tax on appreciation accruing while an individual is subject to our tax laws could not easily be avoided.

The bill also responds to the argument that triggering the tax on expatriation would be an acceleration of the tax that would otherwise have occurred. The bill provides that each taxpayer would be allowed to irrevocably elect on an asset-by-asset basis to continue to be taxed as a U.S. citizen with respect to assets designated by the taxpayer.

The bill also makes modifications to the administration of the tax by requiring expatriates to file a return within 90 days of their expatriation and to pay a tentative tax.

Mr. Speaker, we had a long and heated debate on this issue in April and I do not wish to repeat that entire discussion today. However, there are several matters upon which I feel compelled to comment.

Opponents of this provision made much of their concern over human rights obligations under international laws. Senator MOYNIHAN has quite nicely analyzed these arguments in his introductory statement. I do not intend to repeat that analysis but I do want to agree strongly with his conclusion that the growing consensus of opinion is that this provision does not violate any legitimate human rights concern. For me, the human rights argument was never very persuasive. These individuals are not renouncing their American citizenship because of any fundamental disagreement with our political or economic system. They simply refuse to contribute to the common good in a country where the political and economic system has benefited them enormously. Some individuals went so far as to compare the plight of these wealthy expatriates to the plight of the persecuted Jews attempting to flee Russia. I can only say that I agree strongly with the leaders of the National Jewish Democratic Council who have described this argument as "nothing short of obscene."

In the last weeks of April, some of my Republican colleagues accused me of engaging in class warfare because of my attempts to ensure that these extraordinarily wealthy individuals cannot avoid our tax system by the despicable act of renouncing their citizenship. During the welfare reform debate, Republican Members of this House compared welfare recipients to "wolves" and "alligators" and engaged in crude stereotyping of welfare recipients by referring to "studs" outside their homes. The Republican welfare bill took billions away from the poorest of our citizens to be used to fund a tax bill that even the Wall Street Journal described as a "windfall for the well off."

None of this was considered class warfare by Republican members of this House. However, when Democratic Members suggest that billionaires should not be able to avoid the same taxes that middle-income taxpayers are required to pay, some Republicans consider that class warfare. The difference between the two parties could not be clearer.

Finally, I would like to make it clear that the effective date in the bill I am introducing today is February 6, 1995, and that I will continue to insist that February 6, 1995, be the effective date for any subsequent legislation to end this loophole. The Democratic Members of this House will insist on this effective date, and the fact that a different effective date was contained in a motion to recommit on the recent